GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:470
ANSWERED ON:26.04.2002
INCENTIVE TO EXPORTERS
SADASHIVRAO DADOBA MANDLIK;SUKDEO PASWAN

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether his Ministry has forwarded Several proposals to the Ministry of Finance for providing incentives to exporters after the attack on twin cities in USA on 11 September, 2001;

(b) if so, the details of such proposals;

(c) the proposals out of them which have been accepted by the Ministry of Finance;

(d) whether the said incentives have been provided to the exporters; and

(e) if so, the impact of such incentives on Indian export performance?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(a) to (e) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 470, ANSWER ON 26.4.2002, REGARDING INCENTIVE TO EXPORTERS

(a) to (e) : In the background of fall in growth of exports in the first half of 2000-01 and slow down of world economy several steps were taken in October 2001 to boost exports in consultation with the Ministry of Finance. These included reduction in interest rate for export finance , special financial package for large value exports of Rs 100 crore or more, extension in repatriation period for exports to Latin American Countries (LAC), increase in drawback rates for approximately 500 items , increase in residual drawback rates for capital goods and machinery and removal of value caps on 429 items under Duty Entitlement Passbook Scheme .

These measures were aimed at arresting the decline in the rate of growth of Indian exports in an otherwise sluggish international trade scenario. Indian exports in the months of November, 2001, December 2001 and January , 2002 have grown at 3.29%, 1.11% and 18.18% (in dollar terms) respectively over the same period last year as against decline of 1.06%, 8.61% and 7.39% in the months of August, September and October, 2001 respectively over the corresponding period of the year before.